

VZCZCXYZ0012  
RR RUEHWEB

DE RUEHIN #2530/01 2080812  
ZNR UUUUU ZZH  
R 270812Z JUL 06  
FM AIT TAIPEI  
TO RUEHC/SECSTATE WASHDC 1291  
INFO RUEHBJ/AMEMBASSY BEIJING 5474  
RUEHHK/AMCONSUL HONG KONG 6680

UNCLAS AIT TAIPEI 002530

SIPDIS

DEPARTMENT FOR INR/R/MR, EAP/TC, EAP/PA, EAP/PD - ERIC BARBORIAK  
DEPARTMENT PASS AIT/WASHINGTON

SIPDIS

E.O. 12958: N/A

TAGS: [OPRC](#) [KMDR](#) [KPAO](#) [TW](#)

SUBJECT: MEDIA REACTION: TAIWAN SUSTAINABLE ECONOMIC DEVELOPMENT  
CONFERENCE, TAIWAN'S UN BID

¶1. Summary: Taiwan's major Chinese-language dailies continued to focus their coverage July 27 on the Cabinet-sponsored Taiwan Sustainable Economic Development Conference, which kicked off today; pro-Green scholars' follow-up moves to call for President Chen Shui-bian's resignation; Taiwan's declining consumer confidence and decelerating economic development. The pro-status quo "China Times" ran a front-page banner headline that read "Su Tseng-chang Resists Pressure, Will Continue to Push for Loosening of Restrictions on Mainland Investments." The newspaper also ran a banner headline on page four that said "No Restrictions for Westbound [Investments], Financial and Economic Heads Break Taboo." Next to this banner headline, however, the newspaper also ran a news story with the headline "Bian Will Attend Sustainable Economic Development Conference and Reiterate Proactive Management."

¶2. In terms of editorials and commentaries, an editorial in the pro-unification "United Daily News" urged the government not to turn the Sustainable Economic Development Conference into a political struggle session hijacked by Green stalwarts. An editorial in the limited-circulation, pro-independence, English-language "Taiwan News," on the other hand, discussed Taiwan's chances of joining the United Nations. End summary.

### ¶3. Taiwan Sustainable Economic Development Conference

"Sustainable Economic Development Conference Must Not Become Political Struggle Session Hijacked by Green Stalwarts"

The pro-unification "United Daily News" [circulation: 400,000] editorialized (7/27):

"The Sustainable Economic Development Conference, which will kick off today, must not become a political struggle session hijacked by the deep-Green stalwarts. ... From its very beginning, the Sustainable Economic Development Conference has never been defined as an economic decision-making meeting, but simply as a political ritual, and its main purpose was to serve as a transitional medium for the power transfer between Chen Shui-bian and Su Tseng-chang. The meeting was meant to serve as steps for Chen to extricate himself and for Su to assume [his future position]. In other words, the conference was supposed to help resolve Chen's 'rulership crisis' on the one hand, creating steps for Chen to extricate himself from the predicament he has been in since he started to lean toward the deep-Green line following his New Year Day's address. On the other hand, it was supposed to serve as steps for Su to ascend by constructing a backdrop for his 'visions for 2008.' But now Chen clings like grim death to the deep-Green line; if Chen does not dare to walk down the steps, there is no way Su can walk up the steps.

"As a result, the Sustainable Economic Development Conference, which

was originally designed for Chen to transfer power to Su, can no longer serve as a 'transitional' mechanism now; instead, it has all the more underscored the conflicting lines and power impasse between Chen and Su. ... Given such a development, the conference becomes insignificant in terms of policy making, and it has lost its function of power transfer. This situation dealt a heavy blow to the DPP, and to Su in particular, because if Chen adheres to his pledge to 'delegate some of his powers,' he can extricate himself by means of the Sustainable Economic Development Conference. Su, on the other hand, can use the conference to work out his plan for his 'revisionist line' and announce his visions for 2008. ... Chen has hijacked the Sustainable Economic Development Conference, making it collapse and incapable of resolving his rulership crisis. For Su and Tsai Ing-wen, the collapse of the conference will not only mean a major defeat for their personal political careers, but will also make the DPP miss a critical opportunity for its advance and transformation. ..."

#### 14. Taiwan's UN Bid

"If Security Council Is Enlarged, Taiwan May Gain Ground"

The pro-independence, English-language "Taiwan News" [circulation: 20,000] noted in an editorial (7/27):

"... In our view, the boycott of Japan's entry to the Security Council is unfortunate since having Japan on the Council would help ease the potential flashpoints in Northeast Asia by providing a multilateral context for dialogue between all four major powers with direct stakes in the region. Japan's seat on the Council would be welcome in not only giving Tokyo a proper role in global decision-making but because its seat, along with others such as Germany, India or African nations, should also help to check and balance the PRC's behavior and, if indirectly, help maintain stability across the Taiwan Strait.

"Taiwan's primary concern is naturally our next effort in September to enter the United Nations and resolve the problem of the lack of

representation for Taiwan. ... By intensifying our efforts to become a valuable 'contribution-maker' to the welfare of the global community instead of a 'hindrance maker' like the authoritarian PRC, Taiwan can gradually enhance our reputation and support in the General Assembly and, eventually, will gain entry into the United Nations."

YOUNG